

Info Edge (India) Ltd.

Quarterly Flash

CMP :	Rs. 782	Target Price :	-	As per report dated	Date : May 3, 2007
SENSEX :	14099	Recommendation :	NR		

Views:

Actuals v/s ARG Est. Above Estimates

Actuals v/s Consensus Est. Not Rated

Absolute Performance Good

Comments:

Topline

Topline grew at healthy 72% YoY and 20% sequentially. On the back of increase in clients from ~23 thousand to ~27 thousand

Operating Profit

Sequentially margins dipped to 26.7% from 32.7% on the back of higher wage cost. We had expected higher advt cost of 10 Cr vs actuals of 8 crs. Absolute operating profit was flat

Net Profit

PAT was higher than expected largely due to higher other income and lower than expected advertisement cost.

Key Data

Bloomberg Code :	INFOE IN Equity
Reuters Code :	INED.BO
BSE Code :	532777
NSE Code :	NAUKRI
52-Week Range(H/L) :	480/823
Market Cap (Rs mn) :	21329
Shares O/S (mn) :	27
Free Float (mn) :	12
3m Avg. Volume :	67041
Face Value :	10

Financials (Rs. mn)

Y/E Mar	Mar-05	Mar-06	ARG Estimates	
			Mar-07	Mar-08
Net sales	441	824	1,367	2,153
Operating profit	39	221	342	611
Operating margins (%)	8.8	26.9	25.1	28.4
PAT	3	133	241	449
PAT margins (%)	0.7	16.1	17.6	20.8
FDEPS (Rs.)	0.5	6.1	8.8	16.4
PER (x)	1574.1	128.5	88.7	47.6
P/B (x)	38.3	68.5	9.9	8.3
EV/ EBITDA (x)	426.3	88.4	51.3	26.6
Dividend Yield (%)	0.2	0.1	0.1	0.2
ROCE (%)	36.8	110.9	30.3	28.6
ROE (%)	3.0	70.6	20.0	19.0

Impact on-

Financial Forecast :

Results are robust and given the fact that Info-edge is in a high growth business it is getting a higher valuation trading at 47.6 x FY08 EPS. Going forward competition from other internet companies and company's growth achievement comfort needs to be seen.

Target Price : NA

Recommendation : NA

Quarterly Performance (Rs. mn)	1QCY06	2QCY06	3QCY06	4QCY06	1QCY07		Growth (%)		Variance Rs mn
					Actual	Estimate	YoY	QoQ	
Net Sales	252	279	317	363	436	407	72.8	20.1	29
- Operating expenses	197	204	260	246	320	314	61.9	29.7	6
Operating profit	55	75	57	117	117	94	112.0	(0.1)	23
Operating margin (%)	21.8	26.8	18.1	32.1	26.7	23.0			373 bps
+ Other income	5	14	9	16	37	28	676.8	126.0	8
EBITDA	60	89	66	133	153	122	156.9	15.4	31
EBITDA margin (%)	23.7	31.8	20.9	36.6	35.2	30.0			518 bps
- Depreciation	8	10	11	11	14	12	76.4	25.8	2
- Interest expense	0	1	(1)	0	0	0	200.0	12.5	(0)
PBT	52	78	57	121	139	110	169.6	14.4	29
- Taxes	31	26	21	40	38	38	21.7	(4.0)	(0)
PAT	20	52	36	82	101	71	400.3	23.4	29
+ Profit share in associates	-	-	-	-	-	-			-
- Minority interests	-	-	-	-	-	-			-
Consolidated PAT	20	52	36	82	101	71	400.3	23.4	29

Disclaimer: This note is to be read in conjunction with the disclaimer note as mentioned in the mail.

Recommendation Guide: Buy >30%; Outperformer (OP): 20 to 30%; Market Performer (MP): 10 to 20%; Under-Performer (UP): 0 to 10%; Sell: <0%; Not Rated (NR)